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SUBJECT: Practical Federalism Seminar Brings Together Kurdistan National Assembly and GOI Council of Representatives Members

This is a Kurdistan Regional Reconstruction Team (RRT) cable.

¶1. (SBU) SUMMARY: A July 10-13 "Practical Federalism in Iraq" seminar held in Erbil was the first such event attended by members of both the Kurdistan National Assembly (KNA) and the Iraqi Council of Representatives (CoR). Discussion was focused on the Oil Law, Article 140, and regional formation. The meetings were cordial and discussion was predictable. Participants noted that the Iraqi Foreign Investment Law for oil was investor unfriendly, while KRG attendees asserted that there could be no further review of Article ¶140. GOI Constitutional Review Committee members called for the CoR to enact proposed constitutional amendments without submittal to a public referendum. The conference closed with the issuance of "Protocol of Cooperation" between the two assemblies and a 13-point set of recommendations that endorsed the federal approach to governance and called on further efforts to implement Article 140.
END SUMMARY.

¶2. (U) A seminar on "Practical Federalism" in Iraq" was held in Erbil from July 10-13, attended by KNA and CoR members, GOI and KRG officials, and academics and other specialists. The organizers were two NGOs, the "International Alliance for Justice, headed by former GOI Human Rights Minister Bakhtiar Amin, and "No Peace Without Justice," headed by Niccolo Figa-Talamanca, a war crimes investigator in Bosnia. A KRG official told us that 45 GOI CoR members had been invited.

THE MEETING NOT A JOINT KNA/CoR SESSION

¶3. (SBU) Invitations to the seminar had made a passing reference to a joint session of the KNA and CoR, and some newspapers covering the event, and, reportedly, even some attendees, appeared to believe that it was a joint parliamentary session. An RRT observer noted, however, that when an attendee tried to raise a point of order with the moderator (Adnan Mufti, the KNA chairman) during a discussion session, he was told that this was not a parliamentary meeting and that parliamentary rules therefore did not apply.

SEMINAR TOPICS

¶4. (U) The topics covered included: The GOI Constitution and federalism, including discussion of proposed amendments; Regional Formation, including Article 140; and, Natural Resources, Revenue Collection and Public Spending.

COR CONSTITUTIONAL REVIEW COMMITTEE EXPRESS CONCERNS

¶5. (SBU) The members of the Iraqi CoR Constitutional Review Committee opened with a report indicating they have drafted 54 proposed amendments to the Constitution. They are unhappy with the timeline imposed on them through Article 42, saying it is too short, and also do not believe that a national referendum on these amendments is required. They state that since the Iraqi people have approved the original Constitution, the power to amend should reside in the Parliament.

ARTICLE 140 BECOMES FOCUS OF DISCUSSION

¶6. (SBU) The Constitutional and the Regional Formation sessions quickly broke down into a discussion focused mostly on Article 140, according to RRT staff members. Several prominent KRG leaders gave standard presentations on the history of Kirkuk, its demographics, the impact of the Arabization program, and the province's involvement in earlier Kurdish-Baath negotiations and agreements dating back to 1970. The KRG attendees were especially assertive about the need to define the KRG's boundaries as they relate to Kirkuk, although they also claimed that the status of the KRG and of the Article 140 implementation process was not a matter for further review. KRG attendees noted that they were willing to discuss amendments about regional formation for any location outside of the KRG.

OIL SECTOR AND PROBLEMATIC GOI FOREIGN INVESTMENT LAW

¶6. (U) The natural resources sessions reportedly focused on oil: i.e., the division of oil-generated revenues and how to encourage foreign investment to develop the oil sector. Various international models were discussed, including Iran, UAE, Canada and the United States. The issue of the current Iraqi oil sector foreign investment law was also raised, with agreement that the law is vague and not foreign investor friendly.

SURPRISE CANCELLATION OF CONFERENCE'S LAST TWO DAYS

¶7. (SBU) The Wednesday sessions were plagued by snafus, including a series of power failures that halted discussion for several extended periods. As a result, the Article 140 session continued into Thursday, and Thursday's two planned sessions, one on the Justice system and the other on "Education, Culture, Language and Religion,"

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were cancelled. For unknown reasons, the Saturday and Sunday (July 14 and July 15) sessions of the conference, which were to include "Reports from the Rapporteurs" and "Discussion of Seminar Outcome Document," were also cancelled and the seminar ended on Friday morning with a joint press conference between KNA and CoR leaders.

¶8. (SBUP) After the close of the conference, the organizers issued a 13-point set of recommendations that included endorsement of the development of a uniquely Iraqi form of federalism (i.e., rejecting copying of foreign models), equitable sharing of natural resource wealth, and a commitment to completion of Article 140 implementation. The conference also produced a formal "protocol of cooperation" between the Kurdistan National Assembly and the GOI Council of Representatives (CoR) that called for joint meetings, coordination of draft laws to avoid conflicting provisions, and the establishment of offices in Baghdad and Erbil to carry out these cooperative activities.

¶9. (SBU) COMMENT: The sessions reportedly were cordial throughout, with little or no contentious debate. The sudden cancellation of seminar's last two days seems unusual, and we are seeking further information on this decision. The recommendations and joint cooperation protocol were generally non-controversial and seemed to be consensus products.